

## **MINUTES**

### **RHODE ISLAND HIGHER EDUCATION ASSISTANCE AUTHORITY BOARD OF DIRECTORS' MEETING**

**June 19, 2012**

**The 314th meeting of the Rhode Island Higher Education Assistance Authority was held Tuesday, June 19, 2012 in the McKenna Conference Room, 560 Jefferson Blvd., Warwick, RI. Chairman Santoro called the meeting to order at 1:00 p.m.**

#### **Board Members in Attendance:**

**Dr. Anthony J. Santoro, Chairman**

**Dr. William Croasdale, Vice Chairman**

**Mr. John Howell, Secretary**

**Ms. Patricia Doyle**

**Mr. Solomon A. Solomon**

**Ms. Faith LaSalle, Esq.**

**Mr. Christopher Feisthamel, designee for General Treasurer Gina Raimondo**

#### **Also Attending:**

**Mr. Charles P. Kelley, Interim Coordinating Officer**

**Mr. Joseph Palumbo, Esq., Legal Counsel**

**Mr. Marc Lacroix, Chief Financial Officer**  
**Ms. Dana Peterson-Fatuda, Assistant Administrative Officer**  
**Mr. Charles Miller, Chief Information Officer**  
**Ms. Linda Makhoul, RIHEAA**  
**Ms. Clordine Cox, RIHEAA**  
**Mr. Michael Joyce, RIHEAA**  
**Ms. Winifred Antos, Union Steward RIHEAA**  
**Mr. Noel Simpson, RISLA**  
**Ms. Gina Macris, The Providence Journal**  
**Ms. Liza Pinto, Fiscal Analyst**  
**Ms. Laurie Brayton, Fiscal Analyst**  
**Ms. Carolyn Dias, RIDE**

**1. Minutes of the Board of Directors' meetings held on May 1, 2012 and May 3, 2012 were unanimously approved.**

**2. Chairman's Report: Dr. Santoro stated that the legislature has spoken and they are not going to merge RIHEAA with the Office of Higher Education. He stated that this gives us a wonderful opportunity to strategize about the future of RIHEAA, at least for the**

**wind-down.**

**Dr. Santoro stated that Mr. Kelley has graciously served as the unpaid Interim Coordinator, and now may be the time to look for a permanent director. Dr. Santoro asked the board, do we go ahead and hire a director then decide the mission, or do we decide the mission then hire the director. Dr. Croasdale stated he thought that Mr. Kelley would step down by June 30th. Mr. Kelley stated that he would serve at the pleasure of the board. Dr. Santoro stated that depending on the direction that RIHEAA takes, we need someone who understands the programs. We also need to think about what we are going to do with the reserve funds.**

**A discussion ensued as to whether or not the board should decide the future direction of the agency before commencing a search for a new director.**

**3. Interim Coordinator's Report: Mr. Kelley introduced interns from the House Finance Committee. Mr. Kelley stated that the legislature passed Article 4, which includes language that states; "reserve funds of RIHEAA to be used solely for the ordinary operation expenses of the authority. Furthermore it is the intent of the General Assembly that these funds be used to increase financial assistance to RI students in the form of scholarships and grants". Mr. Kelley asked the board to consider this when making decisions about the future of RIHEAA.**

**Mr. Kelley stated that he received a call from Alliance Bernstein regarding CollegeBoundfund, they received a minor down grade, but at this point it is not a concern. Mr. Kelley distributed handouts regarding work with Alliance Bernstein. Mr. Kelley stated that at the next board meeting he will provide the marketing expenses from Alliance Bernstein regard CBf.**

**Mr. Kelley stated that the purpose of the Focus Group is to make sure that \$750,000 that Alliance Bernstein provides in marketing support gets spent prudently and appropriately to have the best impact with people saving for college.**

**4. Health Professional Loan Repayment: Ms. Makhlouf stated that we were asked to participate in this program once again. It is a loan forgiveness program; the MOU is for one year, no administrative reimbursement for RIHEAA and has a match of \$250,000 with the federal government. Ms. Makhlouf will serve as a board member. Dr. Santoro asked why this wouldn't go through RISLA. Mr. Kelley stated that original legislation was set-up in 1994 whereas RIHEAA did the back ground checks of the loans. The MOU was signed by Mr. Kelley.**

**5. Discussion of Student Records Project (MOU): Mr. Kelley stated that**

**within the Board packet is the MOU which Mr. Kelley and Mr.**

**Palumbo, Esq. prepared. Due to the risk of losing the federal grant funds, we are hoping for a quick turn-around. Moving forward there will be a more detailed agreement between RIHEAA and RIDE detailing the specific responsibilities and timelines. Ms. Dias felt that the agreement looks fine. Mr. Kelley asked the board to expedite this quickly. He stated that his only concern is if RIHEAA is unable to fulfill its obligation then they should be released of liability. Mr. Palumbo stated that the language should read: “in the event due to circumstances beyond its control RIHEAA determines it is unable to fulfill its commitments”. Ms. Dias stated that is fine.**

**Dr. Croasdale stated that one of our employees received recognition for her outstanding work with the military and their families on behalf of RIHEAA and the w2gori program. Although Ms. Shevlin was not present; Dr. Croasdale and the board congratulated her for her outstanding achievements.**

**Ms. Dias stated that another initiative is on the table regarding Adult Education, and stated discussion will follow.**

## **6. Action Item (s):**

**a. Memorandum of Understanding with RIDE: Dr. Croasdale made a motion to authorize the execution of the MOU with RIDE for the RI portal project and authorize Mr. Kelley as Interim Coordinating Officer to sign the MOU, as amended by the language recited by Mr.**

**Palumbo, which motion was seconded by Mr. Howell.**

**Voted in favor: Dr. Santoro, Ms. Doyle, Ms. Lasalle, Mr. Feisthamel, Mr. Solomon, Dr. Croasdale and Mr. Howell.**

**Voted against: None**

**b. Selection of Auditors: A motion to accept the low bidder Braver Group for RIHEAA's audited financials was made by Mr. Howell and seconded by Ms. Doyle.**

**Voted in favor: Dr. Santoro, Dr. Croasdale, Mr. Feisthamel, Mr. Howell, Ms. Doyle, Ms. Lasalle and Mr. Solomon.**

**Voted against: None**

**c. Selection of Marketing Research Firm: A motion was made to hire Market Decision for a price not to exceed \$25,000 for the Joint RFP Focus Groups. It should be noted that Ms. Doyle recused herself from the conversation and vote. Mr. Feisthamel made the motion seconded by Mr. Howell.**

**Voted in favor: Dr. Santoro, Dr. Croasdale, Mr. Feisthamel, Mr. Howell, Ms. Lasalle and Mr. Solomon.**

**Voted against: None**

**There being no further business to come before the Board of Directors, the meeting adjourned.**

**Adjournment was at 1:40 p.m.**

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**Mr. John Howell**

**Secretary**